

Special Focus: Maryland Ports and Trade

Discretionary cargo strategy for Port of Baltimore still in works

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August 13, 2012

The Port of Baltimore has a lot it could gain from CSX's National Gateway. For one, it would put another asset in this port's already overflowing satchel.

While James J. White, executive director of the Maryland Port Administration (MPA) explains that the National Gateway does not offer the port any direct benefits yet, it could eventually pick up business for the port in the discretionary cargo category.

Currently, the Port of Baltimore looses out to ports on the West Coast that serve as the entry point for eastbound cargos by mini land bridge rail. Such cargo also arrives via the Port of New York/New Jersey and even the Port of Norfolk that could otherwise be coming through the Port of Baltimore.

The problem, says White, is the Port of Baltimore cannot accommodate off dock double rail stacking.

CSX is trying to rectify this issue by proposing to build an intermodal transfer facility near the Port of Baltimore on other side of Baltimore's Howard Street Tunnel. Currently, CSX is unable to double stack containers on trains leaving its existing facility at the Port of Baltimore's Seagirt Marine Terminal due to height restrictions at the tunnel.

To fix the problem, CSX is proposing running single stack rail from Seagrit through the Howard Street Tunnel to the other side where the company wants to build an Intermodal Rail Transfer Facility. If successful, and with domestic intermodal containers moving onward to the Midwest, White says this would make it possible for Baltimore to offer double stack pricing from Maryland.

"If priced competitively with the Port of Norfolk we would be back in the discretionary cargo game," White says.

Relocating the intermodal transfer facility to the other side of the tunnel would not only will allow double-stacking, provide an additional benefit: free up land at Seagirt, which is now occupied by CSX, to accommodate an increased flow of shipping traffic.

CSX is expecting the entire National Gateway project, including the Intermodal Rail Transfer Facility, to be completed in 2015. The goal is to coincide the entire National Gateway project with the expansion of the Panama Canal, which is expected to bring more traffic through East Coast ports.

The Intermodal Rail Transfer Facility is a key part of CSX's National Gateway plan to create a more efficient rail route linking mid-Atlantic ports with Midwestern markets, which would improve the flow of rail traffic between these regions by increasing the use of double-stack trains.

MidWest Asset

A major asset to the National Gateway is CSX's Northwest Ohio Terminal Facility, which opened in February this year. Located in North Baltimore, Ohio, just south of Toledo, the Northwest Ohio Terminal

Facility is considered the nerve center of CSX's nationwide intermodal network. The facility operates on 185 acres as world-class freight distribution hub.

Similar to an air cargo hub, trains hauling containers arrive here directly from all across the nation and a host of connecting ports, then quickly and efficiently redistribute them to a network of double stack trains to speed final delivery all across the eastern United States.

"The benefit is shippers bypass choke points like Chicago," comments Carla Groteau, CSX Corp. spokesperson.

For Northwest Ohio, it transforms that region into a critical transportation center.

"The Gateway also helps CSX create 180 new origin-destination pairs, such as Jacksonville to Cleveland," says Groteau.

More so, she adds, the National Gateway connects the mid Atlantic region to the Midwest and beyond and supports long term growth for mid Atlantic ports like the Port of Baltimore.

The Great Lakes region is considered to be among one of the 10 mega regions in the United States. According to the U.S. Bureau of Labor Statistics, 2005, the states in that region produce over 32.5 percent of the U.S. Gross State Product. Other studies show that within a 300 miles radius of the Lake Erie West region, more than four billion square feet of industrial space is accessible, and that over 30 percent of industrial space in the United States and 54 percent of industrial space in Canada is accessible within a round trip, one-day drive.

Given the fact that the Washington-Baltimore region is the third largest consumer market in the country, the Northwest Ohio Terminal Facility builds a strong case for supporting two-way traffic between the Midwest and the Port of Baltimore.
